

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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IN RE:

CHAPTER 11

LOTUS RESEARCH, INC.,

CASE NO.

DEBTOR

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**DECLARATION PURSUANT TO LOCAL
BANKRUPTCY RULE 1007-2**

Leonard Pimentel, CEO, President and Majority Shareholder of the above Debtor
declares as follows pursuant to 28 U.S.C. 1746:

1. I am the Chief Executive Officer and majority shareholder of Lotus Research, Inc. (the "Debtor and/or Debtor-in-Possession") herein. I am knowledgeable and familiar with the Debtor's day-to-day operations, business and financial affairs, books and records, and the circumstances leading to the commencement of this chapter 11 case.
2. The Debtor is a Corporation incorporated under the laws of Delaware since 2014.
3. The Debtor offers innovative solutions in video streaming and has been focused on the development of a state of the art mobile app with 4K streaming technology. For the past several years the Debtor has been focused on the launch of a computer/mobile app that provides for superior streaming technology with the ability to monetize social media content on an international level. Unfortunately, the actions of certain parties derailed the Debtor's ultimate launch of the app and ultimately led to the Debtor's need to file this bankruptcy petition.
4. The Debtor's bankruptcy filing is the result of a number of issues, including the Debtor's inability to raise capital given certain business disruptions and the Debtor's inability to make payments on existing debts. The Debtor's bankruptcy filing was also necessary to prevent the loss of data maintained by certain creditor's, the need to have a centralized forum for the Debtor

to address existing claims, and the need for the Debtor to have a centralized forum to pursue a valuable causes of action against certain third parties.

5. The Debtor seeks time to file a plan of reorganization that will allow the Debtor to pay Creditors, recoup certain monies for the bankruptcy estate, and to ultimately be able to proceed with the launch its product.

6. The holders of the *largest* unsecured claims are:

Creditor	Approximate Claim Amount
Amazon Web Services	\$245,000
Latham & Watkins	\$150,000
David Shlansky Law	\$20,000
Mei Pang	\$140,000
Sigma Software	\$194,000

7. The Debtor's largest secured claim are as follows:

The Debtor does not have any secured claims.

8. The Debtor has approximately 78 shareholders and has issued approximately 33,806,249 shares of common stock and 4,621,334 shares of preferred stock.

9. Summary of Assets and Liabilities:

A. ASSETS

Assets	Value (Approx)
Various Legal Causes of Action	\$2 Million +
Trade Secrets	Unknown
Streaming Technology	Unknown
Not Assigned patents pending	Unknown
Not Assigned Trademark Pending	Unknown

B. Liabilities:

Creditor	Approximate Claim Amount
Amazon Web Services	\$245,000
Latham & Watkins	\$150,000
David Shlansky Law	\$20,000
Mei Pang	\$140,000
Sigma Software	\$194,000
David Schwartz	TBD
Yulia Chensokova	TBD

10. The Debtor's Mailing Address is **535 Mission Street, FL 14, San Francisco, CA**. The Debtor previously maintained its headquarters in New York City.

11. The Debtor's books and records are in the possession of **David Tunstall, 200 Broadway, 3rd FL, New York, NY**

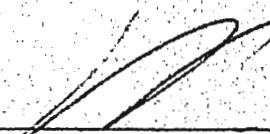
12. The following legal actions are pending:

Supreme Court of the State of New York, Kings County, Index No. 524718/2017 NFA Group, Inc. D/B/A/ BuyDRM v. Lotus Research (Plaintiff has an appeal pending)

Sigma Software, Inc. v. Lotus Research, Inc., Supreme Court State of New York, New York County, Case Number: 650971/2019 (Supplementary Proceeding to enforce Judgment)

13. At this time none of the assets of the Debtor are in the possession or custody of any custodian, public officer, pledge, assignee of rents, or secured creditor, or agent for any such entity.

Dated: Jan 6, 2020
Jan 6, 2020


Leonard Pimentel, CEO/President
Lotus Research, Inc.
Debtor and/or debtor-in-possession